

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4289-02
Bill No.: HB 1859
Subject: General Assembly; Salaries
Type: Original
Date: March 12, 2014

Bill Summary: This proposal requires the minimum annual salary of the legislative assistance of the Missouri House of Representatives to begin at a level of 15% below the annual salary of the hiring Representative, with cost of living adjustments.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$309,576) to (\$454,566)	(\$571,525) to (\$839,200)	(\$571,525) to (\$839,200)
Total Estimated Net Effect on General Revenue Fund	(\$309,576) to (\$454,566)	(\$571,525) to (\$839,200)	(\$571,525) to (\$839,200)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives (MHR)** assumes this proposal would require the MHR to pay first year Legislative Assistant's (LA's) a minimum salary of \$30,528 and guarantees veteran staff (13 or more years) a salary of at least \$37,461. The MHR assumes this proposal would not reduce employees salary to the new schedule but only increase salaries. The MHR assumes the cost to bring all LA's who currently make less than the new minimum salary (\$30,528) up to the proposed salary would be \$571,525 with increased required raises each year. If all LA's would have at least 13 year tenures the cost of raises to the MHR would be \$839,200.

Oversight assumes the cost to the MHR in FY '15 would only be for 13 pay periods. Oversight will range the cost from \$571,525 to \$839,200. The lower cost estimate being all LA's making the minimum salary and the higher cost estimate being all LA's making the 13 year tenured salary.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
Cost - MHR	(\$309,576) to	(\$571,525) to	(\$571,525) to
Increased salary for LA's	<u>(\$454,566)</u>	<u>(\$839,200)</u>	<u>(\$839,200)</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(\$309,576) to <u>(\$454,566)</u>	(\$571,525) to <u>(\$839,200)</u>	(\$571,525) to <u>(\$839,200)</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Beginning December 15, 2014, this bill establishes the minimum annual rate of pay for legislative assistants employed by members of the House of Representatives. The pay of a legislative assistant's first year of employment by either chamber of the General Assembly must not be lower than 15% less than the hiring member's annual salary and must automatically increase as specified in the bill based on the number of years of employment by either chamber. These provisions cannot be construed to prohibit any additional increase in an assistant's rate of pay in the event of any other appropriated increase for all state employees.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri House of Representatives



Mickey Wilson, CPA
Director
March 12, 2014

Ross Strobe
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March 12, 2014